



THREE VILLAGE CENTRAL SCHOOL DISTRICT
STONY BROOK, NEW YORK

BOARD OF EDUCATION AGENDA MATERIALS

DATE OF BOARD MEETING: 07/11/18 DATE MATERIAL SUBMITTED: 07/06/18

OFFICE OF ORIGIN: Superintendent

CATEGORY OF ITEM: Action

TITLE: APPOINTMENT OF UNEMPLOYMENT INSURANCE SERVICES

STAFF RECOMMENDATION:

Upon the recommendation of the Superintendent of Schools, be it resolved that the appointment of Industrial U.I. Services be approved as unemployment representatives specializing in unemployment insurance cost control, effective July 1, 2018 through June 30, 2019. Fee for services rendered is \$5,800.00 per annum to be billed quarterly at the rate of \$1,450.00.

NOT AN OFFICIAL RECORD; SUBJECT TO CHANGE



TEL: (845) 634-4620
FAX: (845) 634-4670
E-MAIL: help@industrialui.com
Website: www.industrialui.com



Unemployment
Cost Control, Inc.

TEL: (201) 798-1313
FAX: (201) 798-3011
E-MAIL: ucc@uicost.com
Website: www.uicost.com

20 SQUADRON BLVD, SUITE 101, P.O. BOX 825, NEW CITY, NY 10956

2 MARINE VIEW PLAZA, SUITE 6, HOBOKEN, NJ 07030

Please reply to this address

Please reply to this address

SERVICE AGREEMENT

Reviewed Costs, Inc. d/b/a Industrial U.I. Services, specializing in Unemployment Insurance Cost Control, hereby offers its services to:

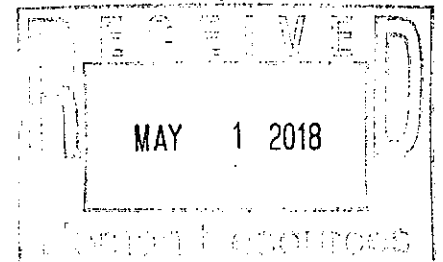
Three Village Central School District

for the period of One (1) year beginning July 1, 2018 — June 30, 2019.

During the life of this contract, Reviewed Costs, Inc., d/b/a Industrial U.I. Services will do the following on your behalf:

Claims Control

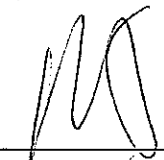

1. Answer all claims forms as to why claimant's job came to an end. Sign this form as your representative and submit it to the Telephone Claims Center.
2. Advise you as to claimant's entitlement to benefits based upon the information submitted to the Department of Labor. On cases where the claimant is ruled eligible, and we do not believe the claimant should be, we will check with you prior to protesting the determination.
3. Record all pertinent information regarding the claimant in order to verify the claimant's entitlement, benefit rate, weeks of charges to your account.
4. If you so desire we will break down the unemployment cost by department so you can evaluate where the money is being spent.
5. "Police" the Notice of Benefit Reimbursement Charges for accuracy. This is a follow up to item 3 above plus information we receive from you as to whether or not a claimant has accepted or refused subsequent employment.



6. Notify you quarterly as to the accuracy of the billing which you receive from the Unemployment Insurance Division in Albany. We will also give you a quarterly analysis of all claimants collecting from your account and the action taken on each one.
7. Attend, as your representative, all hearings before the Administrative Law Judge Section.
8. Participate in all appeals before the Unemployment Insurance Appeal Board.
9. Work closely with our contact in your office to be certain that the individual is familiar with all forms and other relevant material needed to control claims. We will file all protests on your behalf.
10. Conduct a workshop and/or attend any relevant meetings to explain Unemployment Insurance and its cost to the Department Heads.
11. Submit a report annually to you of our activities on your behalf.
12. Either party, at its option, may terminate this Agreement for any reason by notifying the other party in writing, by certified mail, giving at least thirty calendar days notice, any time during the terms of the agreement.

FEE

Fee for our services is \$5,800.00 per annum to be billed quarterly at the rate of \$1,450.00 per quarter.

Proposed by:  Accepted by: _____
Date:  Date: _____



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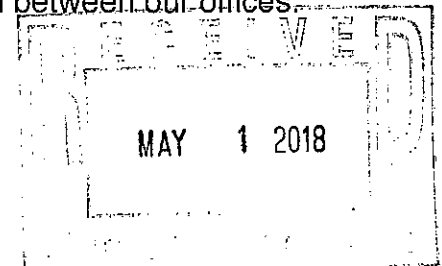
May 1, 2018

TO: Dr. Gary Dabrusky
Assistant Superintendent for Human Resources
Three Village Central School District

RE: 2018-2019 Budget and Fee Projection
ER# 04-63419

The cost of unemployment insurance continues to be a major hidden cost of doing business. Whether an employer is a tax rated employer or a benefit reimbursement employer (benefit reimbursement is an option only available to not for profit 501(c)(3) corporations) there is savings to be had in challenging unwarranted unemployment insurance claims. In order to prevail, the burden is on the employer to support by first hand evidence any challenge based on "misconduct," and the Administrative Law Judges who ultimately determine eligibility for benefits are mandating that the employer meet this burden or they will rule for the claimant. Such evidence must be presented in a timely manner or it will be rejected. With respect to other claims such as claims where a claimant voluntarily quits or refuses a bona fide offer of employment, or where the employer contends that the claimant cannot collect benefits because he or she has "reasonable assurance of continued employment " after a break in the school year, the employer must present its evidence in a timely manner or risk the Administrative Law Judge not allowing the employer to introduce it.

A full claim is now worth \$11,310.00 (26 weeks @ \$435.00 per week) in New York State, so by successfully challenging even four unwarranted claims nearly \$50,000.00 in benefit charges can be eliminated leaving that money for use for other business purposes. This is why our staff will follow up to get details of all claims that potentially can be challenged, and will make timely recommendations as to how to proceed on each claim. Please feel free to contact us if you wish to review our process and to better coordinate communication between our offices.



You should also be aware that starting on October 1, 2018, the New York State maximum benefit rate will increase from \$435.00 to \$450.00 per week based upon the UI reform legislation that became effective in 2013. This is the last year in which the benefit rate is a fixed pre-determined rate as starting on October 1, 2019, the rate will be determined by applying a formula based on the state average weekly wage (it will be 36% of that wage for that year and the percentage will increase yearly thereafter until it reaches 50% of the average weekly wage in 2026). If the same formula were applied this year, the maximum rate would have been just under \$500.00 (using 36%) per week so we anticipate that the change could be significant. As claims filed in early 2019 will carry over to when this increase comes into effect, it is even more important to challenge unwarranted claims. We will keep you informed as we learn more over the coming months.

Stated below is your recent history of Unemployment Insurance benefits paid over the past two years.

	<u>2016</u>	<u>2017</u>	<u>2018</u>
1 st Quarter	\$7,565.28	\$2,194.64	\$6,465.15
2 nd Quarter	2,696.62	1,509.07	
3 rd Quarter	8,155.45	13,072.38	
4 th Quarter	<u>9,255.28</u>	<u>3,407.97</u>	
Totals	\$27,672.63	\$20,184.06	

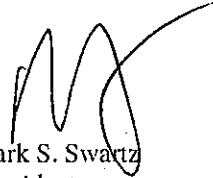
Attached hereto is a summary report of our activity for the prior four quarters. As you can see, substantial savings have been realized by our collective efforts. If you require any additional detail, please feel free to contact us.

In the prior four quarters, our records indicate 22 claims were filed against the district, and we continued to monitor and challenge as appropriate claims from prior years that were still pending. We also attended 2 hearings on your behalf.

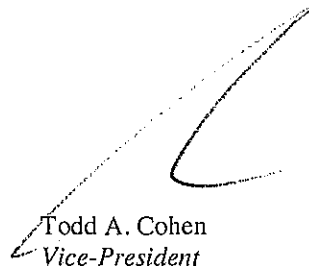
Our quarterly fee of \$1,400.00 will increase to \$1,450.00 for the period of July 1, 2018 through June 30, 2019. This is our first fee increase in two years.

We also enclose a service agreement for the period from July 1; 2018 through June 30, 2019.

Please feel free to contact us with any questions or concerns that you may have.



Mark S. Swartz
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encls.



Three Village Central School District Summary
 4/1/2017 - 3/31/2018

	# of Claims	# of Hearings	# of Determinations	Total Weeks Paid	Potential Liability	Total Benefits Paid
Three Village Central School District						
Three Village Central School District - NY - 0463419	22	2	11	107.25	\$63,067.41	\$24,454.57
Total:	22	2	11	107.25	\$63,067.41	\$24,454.57

RECEIVED
 MAY 1 2018
 PERSON SERVICES